POLICY STATEMENT ON DISHONORED CHECKS

Section 1060(7) of the Business Corporation Act, section 1060(7) of the Nonprofit Corporation Act, section 1101(5) of the Michigan Limited Liability Company Act, and section 48(7) of the Uniform Partnership Act, provide that when fees or penalties are paid by check and the check is dishonored, the fee is considered unpaid and the filing of all related documents will be rescinded. The Michigan Revised Uniform Limited Partnership Act, and the Trademark and Service Mark Act are silent regarding dishonored checks. Section 2952 of the Revised Judicature Act, provides for a processing fee to be assessed for dishonored checks.

When a filing is rescinded for an unpaid fee, a processing fee will be assessed and Notice of Action will be sent to the resident agent of a profit corporation, nonprofit corporation, limited liability company or foreign limited liability partnership or to the principle office address of a domestic limited liability partnership. When articles or certificate of authority are rescinded, the OUT date will be the original "filed" date and the OUT WHY will be "rescinded". When a limited liability partnership registration is rescinded the expiration date will be the same as the original "filed" date and the status will be "expired".

If fees or penalties for a limited partnership, or trademark or service mark are paid by check and the check is dishonored, the fee is unpaid. A letter will be sent to the resident agent of a domestic limited partnership, to the address of the limited partnership office of a foreign limited partnership, or to the owner of a trademark or service mark requesting payment of the related fees or penalties and the processing fee. Payments, including payments submitted with documents and annual reports, will be applied first to the oldest unpaid fees or penalties.

The above policy shall be adopted immediately and remain in effect unless rescinded or modified by the Bureau Director.

Julia Dale, Director

Corporations, Securities & Commercial Licensing Bureau

Date Approved: 12/11/19